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Bureaucratic control in a collegial organization: a management case study

Denz, Rudolph Christopher

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THESIS

**BUREAUCRATIC CONTROL IN A COLLEGIAL
ORGANIZATION: A MANAGEMENT CASE
STUDY**

by

Rudolph C. Denz

June 1995

Principal Advisor:	Kenneth J. Euske
Associate Advisor:	Sterling Sessions

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BUREAUCRATIC CONTROL IN A COLLEGIAL ORGANIZATION: A MANAGEMENT CASE STUDY

Rudolph Christopher Denz
Lieutenant Commander, United States Naval Reserve
B.A., University of New Mexico, 1983

Submitted in partial fulfillment
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Author: _____
Rudolph Christopher Denz

Approved by: _____
Kenneth Euske, Principal Advisor

_____
Sterling Sessions, Associate Advisor

_____
David R. Whipple, Chairman
Department of Systems Management

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ABSTRACT

The Naval Postgraduate School is a unique academic institution whose structural configuration combines the bureaucratic functions of a military command with the traditional administrative functions of a university. This thesis focuses on the issues associated with the design and implementation of the formal management and administrative control systems of the organization. The data obtained during the research was used to develop a management case study that explores the school's organizational and control structure which is bureaucratic in design, yet supports an operating core whose roots lie in a collegial tradition. The case focuses on the potential for conflict that exists from the interaction of the two distinctly different organizational structures, perceived control environments, and cultures. Specifically, the case and subsequent analysis can be used to illustrate the potential for role related conflict when the faculty comes in contact with the school's control systems that are administered by the military support staff.

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I. INTRODUCTION

A. BACKGROUND

This thesis discusses the issues associated with the design and implementation of the formal management and administrative control systems of the Naval Postgraduate School (NPS). These controls ". . . are the internal means by which the Department of the Navy ensures compliance to applicable laws, regulations, and established policies" (NAVPGSCOLINST 5200.1D, p. 1). The thesis focuses on the control systems of the organization as applied to the operating core, the academic professionals, who make up the NPS faculty.

NPS is a unique academic institution that is part of and administered as an activity of the Department of the Navy. The institution's governance and administration are bureaucratic in structure. The control process of such institutions are formulated on the implicit assumption that the users of the system understand and accept the command hierarchy and its highly structured rules and procedures (Mintzberg, 1983). This is probably a valid assumption for the military staff and many of the civilian employees of NPS. The assumption may not be valid, however, for some of the users of the system. The civilian faculty's roots lie in a collegial environment where they have been socialized to a model of control that allows for independence and emphasizes both social and self-controls. The differences between the two very distinct cultures within the organization, military and academic, has the potential to result in conflict or tension when the faculty engages in behavior that appears to be directed toward increasing their autonomy at the expense of management control systems designed to control that behavior

(Abernethy and Stoelwinder, 1995). This conflict is due, in part, from an apparent failure, by both the military support side and civilian faculty, to fully understand one another's operating environment and culture.

B.   THESIS ORGANIZATION

This thesis is organized as follows. In this chapter, a brief overview is provided of the Naval Postgraduate School's management control structure and the effect on the organization that it supports. The second chapter discusses research methodologies used to address bureaucratic control in a collegial environment. Summaries of the key interviews that were conducted in gathering data to support the analysis of the organization structure and management control process are located in Appendix A. The third chapter is a teaching note. In the fourth and final chapter, is a management case study which explores and identifies the organizational structures, the people and cultures within the organization and the management control systems that were designed for a bureaucratic organization, yet support a collegial organization.

C.   TEACHING OBJECTIVE

The case study will assist students in understanding the apparent contradictions in the school's management control processes. The study provides enough information to stimulate discussions on how the management control system operates at the school and its strengths and weakness relative to the collegial organization it supports.

II. DATA

A. METHODOLOGY

The goal of the research was to collect data on the organization, its people and their assumptions about the management control processes. Once the initial research substantiated the view that differences in the assumptions about the environment are a cause of tension or conflict in the organization then additional information was gathered to generate the data to be used in analysis and development of the management case study.

Opinion and archival research strategies were use to gather information about the school's organizational structure, environment, culture and management control systems.

Personal interviews were used to gather the opinion data. These face to face interviews were conducted from January 1995 to March 1995. Military officers, professors, civilian administrators and faculty administrators were selected for the interview process based on their positions within the organization.

The archival and literature research involved review of relevant material on organizational theory and design, management control systems, university culture, and university organization and governance. In addition, numerous documents generated by the Naval Postgraduate School (NPS) were reviewed including:

- Minutes from the Executive Steering Committee

- Minutes form the Planning Board

- Audit Reports

- NPS Command Presentation

- NPS Catalog

- NPS Instructions

- Faculty Handbooks

- Results of the Reinventing NPS Survey[1]

- Organizational Charts

- NPS Mission and Vision Statements

These documents enlarged the scope of the data by providing background information and supplemented the data obtained during the interview process.

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[1] The Reinventing NPS Survey (also know as the Silly Rules Survey) was conducted in November of 1993. Its purpose was to allow all members: students, faculty, and staff, to help identify "silly rules, straight-jacketing regulations, and just plain stupid directives" that imped the accomplishment of the organization's mission.

III. TEACHING NOTE

A. SCOPE

The Naval Postgraduate School (NPS) is a unique academic institution whose structural configuration combines the bureaucratic administrative functions of a military command with the traditional administrative functions of a university.

The case explores the school's organizational and control structure that is bureaucratic in design, yet supports an operating core whose roots lie in a collegial tradition. It focuses on the two very distinct groups of people and cultures within the organization that have each been socialized to very different control environments.

The case illustrates the potential for role related conflict when the faculty comes into contact with the school's control systems that are administered by the military support staff.

B. TEACHING OF THE CASE

In teaching this case, the instructor may ask the students to develop an analysis using models similar to the two used below. These models and the subsequent analysis can be used to show that the potential for conflict exists when the bureaucratically designed control systems at NPS, such as travel and supply, are used by the members of the NPS faculty. This potential for conflict appears to arise not only from the design or structure of the systems, but also from differences in values and perceptions of reality that are held by the military officers administering the control systems and those held by the faculty.

Many of the differences can be captured by the question: Is NPS a military base or is it a campus? The answer depends

on the perspective of the person you ask. Those who answer that NPS is a military base appear to view the organization from a bureaucratic perspective, while those who answer that NPS is a campus appear to view NPS as a collegial organization.

The control systems at NPS are designed based on a bureaucratic model and rely on hierarchies, rules and procedures, and written records to facilitate control over the organization's members. Therefore, for some of the organization's members, the control systems are not congruent with their view of reality.

The following quotation highlights some of the accepted organizational differences that exist between a bureaucracy and collegium:[2]

> Bureaucratic tasks are partial and training is short and within the organization, while professional jobs are complete and training takes long years outside the organization. Bureaucrats are loyal to the organization and legitimate their acts by evoking organizational rules while professionalism requires loyalty to the profession and legitimizing of action based on technical competence. In a bureaucracy compliance is supervised by hierarchical superiors. In contrast, professional compliance is elicited through socialization and internalization of ethical norms set by a community of peers (Copur, 1990, p. 114).

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[2] Mintzberg (1983), states that professional organizations are often called collegial organizations and for the purpose of analysis the terms shall be used interchangeably. The operating core of this structure is made up of highly educated and trained specialists, that he refers to as professionals. Thus, for this teaching note, the terms faculty member or professor will be considered synonymous with the term professional.

1. Structural Design Model

To analyze the situation of bureaucratic control in a perceived collegial environment at the Naval Postgraduate School it is important to look first at the organization's structural design as related to an academic model. Mintzberg's (1983) Professional Bureaucracy and Machine Bureaucracy models can be applied to NPS. The following is a discussion of these models.

a. *Professional Bureaucracies*

The structural configuration characteristics of the Professional Bureaucracy are commonly seen in universities and hospitals. These are organizations that exist in complex environments and normally provide services rather than products.

Professional Bureaucracies are organizations that rely heavily on both the knowledge and skills of the operating core to function and to accomplish their mission. Long training and experience have encouraged clan control and a strong culture. Thus, the operating core is controlled more by social and self-controls rather than bureaucratic controls. An important feature of this model is that not only does the operating core seek control over its own work, but "they seek collective control of the administrative decisions that affect them" (Mintzberg, 1983).

Coordination of the organization is essentially bureaucratic and the administrative structure exists to handle resource management issues and to resolve areas of conflict. Attempts by the administration to apply bureaucratic administrative controls to the operating core are viewed by this group as unwarranted and counterproductive and lead to role conflict and job dissatisfaction (Mintzberg, 1983).

Strategy formulation in this type of organization is in principle, bottom up. Discussion and debate are characteristics of this process. Strategies developed within the organization are those of the individual members of the operating core and often include those of external professional associations. The administration's role in this process is to help the operating core achieve the collectively agreed upon strategies.

While there are support staffs in the Professional Bureaucracy, they exist to serve the operating core, the key part of the organization, and to handle the organization's routine administrative affairs.

b. Machine Bureaucracies

The Machine Bureaucracy that Mintzberg describes is similar to Max Weber's bureaucratic model with standardized responsibilities, qualifications, communication channels, rules and procedures, and a clearly defined hierarchy of command.

This structural configuration is distinguished by what Mintzberg calls the technostructure, or large technical and administrative supports staffs. These staffs are responsible for scrutinizing, standardizing and formalizing the work process within various parts of the organization.

The operating core of this model is comprised of individuals who perform specialized and repetitive tasks that require little skill or training to accomplish. Emphasis within this core is placed on the standardization of work processes and behavior formalization.

This standardization requires tight regulation of the operating core, thus requiring a large administrative support structure. This structure consists of functional

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middle line managers that are responsible for handling disturbances in the operating core, for ensuring the required standards are incorporated down to their operating units, and to support the vertical flows of information up and down the hierarchy.

The Machine Bureaucracy places strong emphasis on the principle that to maintain unity of command, authority must filter down a clearly defined hierarchy. This suggests that "the Machine Bureaucracy is a structure with an obsession – namely, control" (Mintzberg, 1983, p. 167).

The purpose of this control is to remove all possible uncertainty, so that the machine bureaucracy can run smoothly and to achieve goals of accountability and efficiency.

The design of this structure – strong departmental differentiation within the organization, hard-line distinctions between line and staff, as well as, motivational problems arising from the operating core associated with repetitious work – cause the organization to be permeated with conflict.

Strategic formulation in the machine bureaucracy is unquestionably a top-down approach. All relevant information is sent up the chain of command where it becomes integrated into the decision process. The finalized strategy or policy is sent back down the chain where it is implemented by the functional managers through various programs and plans.

External control is often found within many organizations of this structural configuration. This external control is often found in government agencies which are accountable for their actions. This causes rules and regulations to proliferate.

c. Summary of the Professional and Machine Bureaucracy Models

Table 1, below, summarizes the different characteristics of the models and could be used by both the instructor and students to organize data and facilitate case discussion and analysis.

Dimension	Professional Bureaucracy	Machine Bureaucracy
Strategy and Goals	Analyzer, effectiveness, quality	Defender, efficiency
Age and Size	Varies	Typically large and old
Technology	Service	Machines but not automated
Environment	Complex and Stable	Simple and stable
Formalization	Little	Much
Structure	Functional or product	Functional
Coordination	Horizontal linkage	Vertical linkage
Control	Clan, collegial and bureaucratic	Bureaucratic
Culture	Strong	Weak
Technical support staff	Few	Many
Administrative support staff	Many to support professional	Many
Key part of organization	Operating core	Technical and support staff

Table 1. Dimensions of Organizational Structures (Daft, 1989).

C. ANALYSIS

Mintzberg's theoretical models can be applied directly to the Naval Postgraduate School. It is an organization which appears to be an unusual combination of the Professional and Machine bureaucracies. Data used in the analysis are primarily from the case study. It is supplemented with information from the research interviews used in writing the case.

The school is a unique academic institution that is part of and administered as an activity of the Department of the Navy. The organization is commanded by a Flag Officer who is designated as the Superintendent. Its structural configuration combines the bureaucratic administrative functions of a military command with the traditional administrative functions of a university.

1. NPS as a Machine Bureaucracy

The military administration of the Naval Postgraduate School is considered the support side of the organization, its goal is to provide the support needed to allow the academic side to accomplish teaching and research.

This side of the organization includes the Director of Resource Management, Director of Programs, and Director of Military Operations all of whom are senior naval officers that report directly to the Superintendent. This structure gives the military hierarchy a great deal of control over the budget, resource allocation, and the financial reporting system. This allows the administrators "a way of controlling debate and discussion" in these areas (Macintosh, 1994). The Director of Military Operations, a senior Navy Captain, is responsible to the Superintendent for administrative and support services including supply, public works, security, and

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parking. Users of these services include members of the military staff, students and faculty.

The Personnel Support Detachment (PSD) is an organization that provides critical support to NPS, though not depicted on the school's organizational chart. PSD is a Navy unit that handles all government travel for the faculty and military members of NPS. It is technically not a part of the NPS organization. Rather, it is a tenant command and reports directly to the Commanding Officer of the Personnel Support Activity (PSA) in Puget Sound, Washington.

The support side of the organization fulfills the criteria of the Machine Bureaucracy's technostructure. It is organized for maximum efficiency, hierarchial and is tied together by a formal chain of command and system of communication. This side of the organization operates on the assumption that the users of the systems understand and accept the command hierarchy and its highly structured policies, rules, and regulations (Mintzberg, 1983). The use of rank and the chain of command, along with volumes of instructions and records, can be identified with the Machine Bureaucracy model. Many of these rules and regulations are determined at NPS, but as with the Machine Bureaucracy most originate from higher authority, external to the organization. These rules and regulations apply to all military and civilian personnel assigned to or employed by NPS, including the civilian faculty, the operating core.

Control systems such as, travel and acquisition, are typical of the Department of the Navy (DoN) and Department of Defense (DoD) in that they are bureaucratic in design. These systems have rules and procedures that spell out exactly how the systems operate and what is expected of the users. The rules and procedures dictate the responsibilities of the

administrators and users in the processing of documents associated with various control processes. They include how, when, and for what purposes the systems can be used. Records are kept to document authorized users of the systems. The responsibilities of both the managers and users, as well as the flow of the required documents are complex. The individuals in the hierarchy assumes that the policies and procedures associated with the systems will be adhered to because the command has spoken and that is the Navy or military way.

Military officers assigned to support positions at NPS are responsible for the performance of the organization's control processes. They are the functional managers of the organization. They have been socialized into a culture that is structured much like the Machine Bureaucracy. These officers, who appear to understand and accept the systems, are accustomed to working within an environment that has standardized responsibilities, qualifications, communication channels, rules and procedures and a clearly defined hierarchy of command.

These officers, in general, conform strictly to the military culture[3]. Their role identities are well defined and they comply with expected patterns of behavior. They expect other members of the organization, including the faculty, to behave the same. They believe that rules and regulations are established to ensure acceptable levels of performance and

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[3] The military establishment is "...rigidly stratified and authoritarian because of the necessities of command and the possibilities of war" (Janowitz, 1960). Janowitz, goes on to say that within this environment there is respect for the command hierarchy and the organization's rules and procedures. There is also little tolerance for informal administration. Routines are highly standardized, and promotion opportunities are assumed to be linked to compliance with existing procedures. These characteristics exist in civilian bureaucracies, however not to the same extent or rigidity.

that they should be strictly adhered to. Prior to being assigned to their current positions at NPS, their interactions with members of their previous organizations were formally defined by the member's rank, standards of conduct, and the chain of command. Within their environment, accomplishment of the assigned or stated objectives is paramount and they believe all members of the organization should focus their efforts on achievement of such.

From the perspective of Mintzberg model the environment within the support side of NPS would be described as being obsessed with control. The structure accommodates and is familiar to the officers assigned to support roles. As discussed in the following section, this is an environment contrary to faculty expectations.

2. NPS as a Professional Bureaucracy

The academic administration is considered the mission side, and is responsible for providing an environment of learning where teaching and research are the priorities.

Reporting directly to the Superintendent is the Provost who is responsible for the mission side and overall academic administration of the school. The various Deans are responsible to the Superintendent via the Provost for their departments and academic matters under their cognizance. Individual faculty members, the operating core, fall under the administrative control of their respective department chairmen.

The academic side of NPS can be described as a Professional Bureaucracy. The faculty are the operating core. The school's mission to enhance the combat effectiveness of the Navy and other armed services through the graduate education process could not be accomplished without the

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efforts of its civilian faculty. Having been recruited worldwide, the civilian faculty at NPS are familiar with and have worked within organizations similar to a professional bureaucracy. In their primary role as teachers and researchers, they are accustomed to working independently of their colleagues and are generally unconstrained by most formal administrative controls. They are not socialized to taking managerial and administrative orders, as was pointed out during the research interviews. It appears that many often do not think of themselves as "employees" of the organization. These individuals can experience conflict when dealing with the rigid rules and procedures of the control systems within NPS that they view as hindering their freedom to pursue their responsibilities. They are primarily interested in teaching and research and to a large extent everything else is secondary.

Additionally, the NPS faculty members are entrepreneurs in the sense that if they wish to be paid for twelve months they must obtain the funding for two months of their annual salary. This is accomplished by developing external relationship with research activities and curriculum sponsors. If the faculty wish to teach less than the normal six course load, have a travel budget, or purchase equipment for their research, they must also find outside funding.

3. A Potential for Conflict at NPS

Viewing the Naval Postgraduate School from the perspective of Mintzberg's models, it is clear the organization as designed cannot be classified as one particular type of structure. The potential for conflict exists from the interaction of two distinctly different organizational structures, perceived control environments, and

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cultures.

The potential for conflict seems to appear as a clash of cultures when the faculty come in contact with the school's control systems that are administered by the military support staff.

The military and the academic sides have each been socialized within different organizational structures and to different control environments. Each has different characteristics, traditions, and outlooks on reality. Thus, the organization can be viewed as consisting of two different groups each with its own particular goals.

The operating core of NPS, namely the civilian faculty, view the organization and control systems in a completely different way than the military support staff. These professionals bring to NPS a perspective that the military administrators at NPS are not accustomed to dealing with and one that is often misunderstood.

The faculty are professionals who are socialized by models of control that allow for independence and that emphasize both social and self-controls. A distinguishing feature of the collegial control which faculty are socialized to is that the administrators are the subjects of control by the collegium (Macintosh, 1994, p. 140). This is not the case at NPS where the faculty members have little influence over the control processes. Debate and compromise are other features of collegial control that are not generally present in the management control systems at the school. The rigid bureaucratic rules of the various systems allow for little discussion.

The travel control system provides a good example of this situation. The purpose of the travel control system is to provide guidance for the approval, authorization and

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preparation of travel orders, and to facilitate the submission of travel claims. This is a system that is extensively used by the faculty members in the accomplishment of their teaching and research.

The system is complex. There are over eleven separate documents that provide policies and guidance on government travel. While there is a local instruction on NPS travel policies and procedures, NPS and PSD are merely adhering to the policies and guidance given them by the Department of the Navy and Department of Defense. These documents include Joint Travel Regulations (JTRs), Navy Travel Instructions, and Navy Comptroller (NAVCOMPT) Manuals. Because the rules come from organizations up the chain of command, they are often strictly enforced. As noted in many of the research interviews and also in the Silly Rules Survey this causes users to feel that "the system is set up to foil and punish the one-in-a-thousand abuser, rather than to smoothly serve the remaining 999 honest users" (Silly Rule No. 486). The processing, approval and flow of travel documents is also complex. Once travel worksheets and requests are completed and approved at numerous control points, PSD issues travel advances and Government Transportation Requests (GTRs) used for airline tickets. PSD also makes the determination of the final settlement on travel claims.

To further complicate travel matters, PSD does not report to the Naval Postgraduate School. It reports to the Personnel Support Activity (PSA) located in Puget Sound, Washington, as mentioned earlier.

Perceived and actual problems associated with the travel control system account for over 10 percent of the problems generated in the Silly Rules Survey. The following are typical responses from the faculty:

- The entire travel process is too complicated. Why do the Comptroller and PSD insist on n and m days to process travel orders? Why can't I make my own reservations with airlines if it saves the government money over GSA fares? Interesting story: A group of us were discussing a space-related problem on a Monday afternoon. We decided that we needed to talk to an expert at the Naval Research Lab (in DC). We called him, and he was on a plane the next day. We had our meeting on that Wednesday morn! Why can't NPS manage travel like that? (Silly Rule No. 102)

- Any travel agent who attempted to function by asking his customers to fill out a form and then not communicating further with them would be out of business in about a week. Making travel arrangements is probably the second most common complaint about government service. (Silly Rule No. 804)

- You have to travel that way because it's a government carrier (NPS-LA-Atlanta-DC). Even if we can't get you there when you need to be (Non-government carrier is cheaper and I can arrive when I need to be there.). (Silly Rule No. 54)

- Travel has difficulties sometimes because of rules to use cheapest connections (which may take much longer than necessary and involve changes in many airports). Rental car arrangements may involve time consuming far-off-site van rides, presumable to save small $. (Silly Rule No. 59)

- PSD travel functions must be eliminated, and assigned or contracted out to organizations that do not have to follow BUPERS regulations. Unfortunately, through no fault of the excellent personnel at PSD, those rules and regulations are in direct, frequent conflict with the NPS faculty needs. (Silly Rule No. 677)

As can be seen from the above, the faculty wants to travel when they need to and can't (or possibly won't) understand why the system makes it so difficult to do so.

They can't fathom why the system has trouble handling short notice requirements or why the system routes them out of their way causing delays in reaching their destination. While they may rationally understand the system, they do not accept it. From their frame of reference the control is not appropriate.

The same type of situations and issues apply to the purchasing of various equipment and material. First, the individual requesting the items prepares and submits a departmental form or memorandum. This is given to the department's Administrative Assistant who then prepares a requisition. This document is returned to the originator for initialing and then sent to the Department Chairman to be signed. The document continues to be screened at a various control points by numerous individuals in the Research Administration Office (if applicable), the Supply Department and the Comptroller's office. Prior to purchasing various items, the supply department must often obtain bids with the contract going to the lowest bidder. This process takes time and effort. The individual or the professor who placed the order must wait for the needed equipment. Some faculty appear to have a difficult time understanding why equipment or materials that are less expensive and available locally can't be purchased immediately rather than getting bids.

Finally, the attitudes of the managers and administrators, as well as, their interpretation of the rules has a direct impact on the amount of conflict associated with a control process. The research interviews confirm that the attitude of the uniformed military officer responsible for the control process influences how well the process works and how it is applied to given situations. Conversely, the attitude of the individual faculty members towards the various systems also plays a role in the success or failure of the

systems.

Using Mintzberg's framework, the problems of bureaucratic control in a perceived collegial environment can be appropriately seen. The administrative support personnel and managers, operating primarily from a military background and mind set, attempt to enforce and dictate the rules and procedures of the control systems to the faculty, or operating core, as would happen in a Machine Bureaucracy.

The faculty, on the other hand, view the control systems as counterproductive and unwarranted. These professional's come from a background that places emphasis on autonomy, independence, and productivity over all aspects of their work. They want to travel and procure materials in support of their teaching and research without wasting their time and resources. Control systems, such as those for travel and acquisition, at NPS are in place to achieve bureaucratic criteria of efficiency and accountability and are often in conflict with the norms and values of faculty.

D. WHY USE THIS CASE?

This case can be used in the study of organizational structure and management control systems. It provides an example of potential conflict resulting from a "clash of cultures" that exist when an organizational and management control structure is bureaucratic in design yet supports an operating core who perceive the environment as collegial. Specific learning objective for this case are:

1. Define the characteristics associated with the structure of a bureaucracy and a collegium.

2. Define the characteristics associated with bureaucratic and collegial control systems.

3. Define the values and perceptions of reality that are held by the members of both a bureaucratic culture and a collegial culture.

4. Assess the extent of conflict (if any) when control systems are used to achieve bureaucratic objectives of efficiency and accountability in an organization dominated by a collegium.

E. CASE QUESTIONS

The following questions and sample answers are provided to assist the students and the facilitator in developing case concepts during the teaching of this case. These same questions also appear at the end of the case. For a reproducible copy of this teaching note and case contact Professor K. J. Euske, Code SM/Ee, Department of Systems Management, Naval Postgraduate School, Monterey, California, 93943-5000.

1. Describe the characteristics of bureaucratic control that can be identified with NPS.

The support or military side of the organization is similar to a traditional Navy organization. This side of the school can be most closely classified as a bureaucracy because of its traditional military functions, its numerous layers of management, and rigid hierarchial structure.

The support side, staffed by military officers, is responsible for the many control systems of the school such as, travel and purchasing. These systems, like the organizational structure, are bureaucratic in design. These systems have rules and procedures that spell out exactly how the systems operate and what is expected of the users. The responsibilities of both the managers and users, as well as, the flow of required documents are complex and the hierarchy

assumes that the policies and procedures associated with the system will be adhered to because the command has spoken and that is the Navy or military way. Many of the rules and regulations are determined at NPS, but most originate from higher authority, external to the command.

2. Describe the characteristics of collegial control that can be identified with NPS.

The academic administration or mission side of the organization is set up to look like a civilian university; however, it can best be describe as a collegium by focusing on the school's operating core, the civilian faculty.

Having been recruited world wide, the faculty are familiar with and have worked within traditional university/collegial organizations. Characteristics of the group culture that makes up the faculty at NPS are similar to those of the their counterparts at civilian institutions. In their primary role as teachers and researchers, they are accustomed to working independently of their colleagues and are generally unconstrained by most formal controls. They have been socialized to a model of control that places emphasis on autonomy, lack of constraints, independence over their own work and self control. As associated with a collegium, debate and discussion are very important to this group.

3. What factors in the case hinder or help in the management and implementation of control systems at NPS? Include in your discussion, the extent of conflict (if any), when control systems are used to achieve bureaucratic objectives of efficiency and accountability in an organization whose core

technical staff are accustomed to operating in a collegial environment.

The school's organization and control structure is bureaucratic in design, yet supports an operating core whose roots lie in a collegial tradition. The differences between the two environments, bureaucratic and collegial, appear to be factors that hinder the control processes.

The school's use of rank and the chain of command, along with the volumes of instructions and records fits very nicely with the components of a bureaucratic model. The control systems of the organization have rules and procedures that describe in detail, the responsibilities of both the administrators and users.

The control process appears to be formulated on the implicit assumption that the users of the system understand and accept the command hierarchy and its highly structured rules and procedures. While this is a valid assumption for the military staff and many of the civilian employees of NPS, this assumption does not appear valid for the civilian faculty.

The administrative support personnel and managers, operating primarily from a military background and mind set, attempt to enforce and dictate the rules and procedures of the control systems to the faculty. However, while the faculty may rationally understand a control system, they do not accept it and view it as counterproductive and unwarranted. From the faculty's frame of reference, the control is not appropriate.

The potential for conflict or tension is the consequence of (1) bureaucratically designed control systems, such as travel and supply, being used by members of the NPS faculty,

and (2) the differences in values and perceptions of reality that are held by the military officers administering the control systems and those held by the faculty. The conflict or tension is likely to appear at linking points where the two distinct groups, military and academic, are required to interact with each other.

One result of this conflict is the large number of silly rules that appear to be have been generated due not only to problems of design, but also from a clash of cultures between the two distinct cultures within NPS.

4. Address LCDR Baxter's concerns in formulating a strategy for reinventing NPS?

The existing structure at NPS is characteristic of the federal government and DoD in that it is a multilayered bureaucracy that operates within a rigid and hierarchical structure. The control systems within the organization need to be redesigned, becoming more streamlined and customer oriented with a focus on continuous improvement. However, at NPS, these actions will only solve part of the problem. The redesign process at NPS needs to take into account not only the methods and process, but also the values, norms, and perceptions of reality held by the organization's two very distinct groups.

5. What should LCDR Baxter recommend?

LCDR Baxter should recommend a thorough review of the adequacy of the design and implementation of the organization's existing control systems. These control systems are in place to ensure compliance of applicable laws

and established policies. However, these controls, which are based on a top-down, multilayered bureaucratic design, are not customer focused. As noted in the faculty comments, one result of this control structure is an inadequate responsiveness to the needs and concerns of the organization's members. To resolve the issues presented in the case, NPS should continue to apply Total Quality Leadership concepts, as mentioned in the vision statement, to reinvent and transform the school's control processes. To be successful in this transformation process, the organization must fully consider and understand the values, norms, and perceptions of reality held by the school's two very distinct groups.

IV. MANAGEMENT CASE STUDY

INTRODUCTION

Lieutenant Commander (LCDR) James Baxter was sitting in his office at the Naval Postgraduate School (NPS) reviewing the results of the recently completed Reinventing NPS Survey, also known as the Silly Rules Survey. The purpose of the survey was to allow all members of the organization - students, faculty, and staff - to help identify characteristics of the existing control systems for functions such as travel, parking, security or procurement that hindered NPS in carrying out its mission. Issues associated with any control system could be addressed regardless of whether the system was created locally (NPS), by the Department of the Navy (DoN), by the Department of Defense (DoD), or by the Federal Government.

LCDR Baxter was assigned the responsibility for oversight in coordinating and tracking corrective action associated with the over 850 "silly rules" that were identified. Silly rules were associated with virtually all control systems in the organization. The majority of the items emerged in the areas of travel and procurement and appeared to LCDR Baxter to be generated by faculty members.

He had always believed management control in the Navy and Federal Government needed to be streamlined. He was surprised, however, at the seemingly large number of reactions that appeared to be criticisms and complaints about the design of the systems. These were the same systems that he and fellow members of his previous military commands had

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This case was written by Lieutenant Commander R. C. Denz, United States Naval Reserve, under the supervision of Professor K. J. Euske of the Naval Postgraduate School, Monterey, California.

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used and accepted for many years. Why, he thought, had so many issues associated with these systems surfaced at NPS?

To help analyze this concern, LCDR Baxter realized that he needed a better understanding of the character and nature of NPS. He decided to take a closer look at the school and its faculty and staff.

THE ORGANIZATION

NPS is a unique educational institution that supports the needs and interests of the Defense Establishment. NPS is administered as an activity of the Department of the Navy, under the command of the Chief of Naval Operations, and subject to the area coordination authority of the Commander, Naval Base, San Diego.

Often called the "Navy's University," its mission (Exhibit 1) is to enhance the combat effectiveness of the Navy, Marine Corps and other armed services by providing professional, graduate level studies for military officers and DoD personnel from the United States, as well as, defense personnel from other nations. The school awards masters and doctoral degrees. There are 38 different curricula and over 750 graduates annually.

NPS is commanded by a Flag Officer, historically a Commodore or Rear Admiral, who is designated as the Superintendent. The Superintendent has direct and absolute responsibility for all aspects of the accomplishment of the school mission. The Superintendent's authority is set forth via DoN regulations and policies. The principle line managers answering to the Superintendent are the Provost, Director of Programs/Dean of Students, Director of Resource Management and the Director of Military Operations.

Typical of the military and Federal Government, NPS has numerous layers of management and a rigid hierarchial structure. A senior civilian administrator described the organization as a "monolithic hierarchy that is often overt in its control." A military officer commented that there are "too many unnecessary layers of management that cause at a macro level a lack of understanding of the daily operations."

The uniqueness of the school is demonstrated in its organizational structure. The organization chart (Exhibit 2) depicts the union of traditional military functions and academic administration. The military administration is considered the support side and is set up as a standard naval organization. The academic administration, or mission side, is designed based on a traditional academic model. With regard to the groups operating in these two distinct structures within the organization, a senior military officer made the comment: "You have, on one hand, the military side which operates from a unity of thought aspect and then the academic side that is more independent and free minded." The dual hierarchies would appear to hinder NPS from accomplishing its mission; a situation described by a civilian administrator as an, "extreme, oil and water mix of military personnel and faculty which presents unique problems in the functioning of the organization."

The Mission Side

The academic administration, or mission side, of the organization is responsible for providing an environment where teaching and research are the priorities. In this regard, the school operates under the American Association of University Professors (AAUP) rules and standards and maintains a professional culture that the faculty members recognize. A

senior faculty administrator commented:

> The academic side is supposed to be set up and must look like a civilian university. It should allow academic values to flourish. Academic life is characterized by freedom, independence, and lack of constraints. The faculty expects this and so they bring with them into this organization a perspective that the military does not understand.

At the top of the academic administration is the Provost. The candidates for the position of Provost are civilians that are recommended by the faculty and Superintendent to the Secretary of the Navy who appoints the individual to the position. The Provost is responsible to the Superintendent for all academic matters. Five Deans are answerable to the Provost.

The Dean of Faculty is responsible for the academic departments and groups. Each academic department and group is chaired by an individual recommended by the faculty and appointed by the Superintendent. The individual faculty members fall under administrative control of their respective department chairs.

The school is similar to other graduate institutions in terms of academic rank and tenure. There are lecturers, senior lectures, adjunct professors, assistant professors, associate professors and full professors. Like a civilian institution, not all faculty members achieve tenure.

The Civilian Faculty

The 380 civilian faculty members are the organization's operating core. The school competes with other institutions for this group that are recruited worldwide and appointed to their positions by the Superintendent. More

than 98 percent of these individuals have PHDs from over eighty-eight different institutions such as UC Berkeley, Harvard, Princeton, and Stanford.

The faculty is a critical element that is necessary for the school to successfully accomplish its mission. Their responsibilities include teaching, research, and daily interaction with the students. In addition, they are responsible for maintaining their own personal expertise and continuing professional development.

Teaching is the primary duty of the faculty. All faculty members teach. There is an expectation that the faculty do everything they can to help the students realize their full academic potential both in the classroom and during the thesis process. Additionally, professors are expected to engage actively in research that culminates in their work being published. They do not have teaching assistants.

Faculty members are paid to teach 10 months out of year. The faculty has to provide for the remaining two months of their salary through the pursuit of various research activities. In addition, most faculty, obtain additional funding to reduce their teaching responsibilities to a six month period. This external funding - for the professor's salaries, travel, and the research itself - generally comes from assorted curriculum sponsors and other government organizations. These curriculum sponsors are DoD offices or Navy commands directly associated with a particular degree program. The system to manage the research funding at the school is complex and covers all aspects of the research, including labor and travel. The professors have the responsibility of managing these funds which are controlled through the Comptroller's office.

To obtain research funding, the professors, have to be entrepreneurial and develop relationships with the various sponsors and other individuals external to NPS. One faculty administrator commented on the research process:

> The faculty not only have to teach and do research, they go out and hustle money. They have to provide for at least at least two months of their salary out of the year. They depend on a variety of sponsors for this money. Only the faculty members can develop and facilitate the connection with the sponsors. They identify with the school itself, but their loyalty is often split because they work all over the world for their sponsors.

Characteristics of the faculty at NPS are similar to those of their counterparts at civilian institutions. They come from a collegial background that places emphasis on autonomy, lack of constraints, and independence over their own work and self control. Debate and discussion are very important to this group. The faculty, like other professionals, closely identify with their chosen profession. A senior civilian administrator commented about the group as a whole:

> The faculty is responsive to managerial requirements, but they are thoroughbreds who have different standards than the military and want to go off in all different directions. The phrase "herding cats" is often applied. That's fine, they are not in the military and we do not want "yes" men. We are paying for intellectual muscle.

The Support Side

The military administration, or the support side of the Naval Postgraduate School is responsible for providing the support for the daily functions that are necessary for the

organization to accomplish its mission. As an example, support services, such as travel and procurement, play a central role in the faculty's research process. These functions are managed and administered by the staff military officers assigned to the school.

The support side of the organization is set up similar to a typical Navy organization. It includes the Director of Resource Management, Director of Programs, and the Director of Military Operations. Each of these positions are held by a senior naval Captain, all of whom report directly to the Superintendent.

The Director of Programs/Dean of Students is the senior naval officer reporting to the Superintendent. The person in this position has the overall responsibility for the administration of eleven curricular offices staffed by military officers. These Curricular Officers are responsible for the military and professional performance of the student officers assigned to their respective curricula. The Curricular Officers also closely work with faculty members who have been appointed as Academic Associates. The Academic Associates work with curriculum sponsors in curriculum development and management.

The Director of Military Operations is responsible to the Superintendent for the administrative support services including supply, public works, security, and parking. These services are directly administered by military personnel.

The Personnel Support Detachment (PSD), is the organization responsible for coordinating government travel for the civilian faculty and military members of NPS. However, this organization is neither a department nor a division of the school. Rather, it is a tenant command and reports directly to the Commanding Officer of the Personnel

Support Activity in Puget Sound, Washington. While it plays a central role in the daily operations of NPS, it is not a part of the organizational hierarchy; thus, it is not depicted on the NPS organizational chart. A senior civilian administrator described this situation as follows: "The artificiality of PSD reporting to someone else other than the Admiral brings up the notion of a centralization problem; that is, there is a danger of losing a customer focus and the problem of allegiance."

The Military Staff

The military officers at NPS, other than students, are the functional line managers who are assigned to support positions ranging from the Director of Military Operations to the Supply Officer. These officers are directly responsible for the majority of the organization's management processes. Their authority is formally delegated from the Superintendent. They are responsible for ensuring the administration and execution of plans and policies associated with the accomplishment of their assigned departmental objectives. Additional authority and guidance for the performance of their responsibilities comes from NPS instructions and directives, Navy and DoD regulations, and Federal Government requirements. These officers normally hold their assigned positions for three years, the typical length of a staff officer's tour at NPS.

NPS with both the military and academic administration is a new experience for most of these officers. As was stated by a staff officer:

> As a military officer this is unlike anything I've
> done in the past. There are more layers here than
> at a naval command. For many of the officers this

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is their first exposure to a faculty and civilian structure. While many don't like it, they need to realize that it is their lot in life to support.

These officers come from a traditional military background and as with the civilian faculty their profession is more than an occupation, it is a style of life. They to, as a group, have distinct characteristics and values. They are used to working in an environment that allows for little informal administration. This is an environment where routines are standardized. There are formal rules and procedures and a clearly defined chain of command. The rules and regulations are established to ensure that an acceptable level of performance and safety is met. Because of the possibility of combat situations where personal danger and the potential loss of life is high these officers are accustomed to and accept the standardized routines and often rigid rules. Their roles are well defined and they are socialized to comply with expected patterns of behavior and expect all members of their organization to do the same. Interaction with members within their organizations is generally formal in nature and defined by both the officer's rank and that of the individual he or she is dealing with. A senior civilian administrator described this group as follows:

> These officers are used to being in charge and making decisions without a lot of discussion. The environment here frustrates many, particularly those who don't know what the faculty is about or what they do. There are those who are often shortsighted, in that they enjoy enforcing rules perhaps more stringently than they should. However, the majority realize that they gain little by chipping away at the collegial environment. It's easy for them to get "white knuckled" about these issues, but they must decide what's important and never forget that their role is support and

that the organization needs the faculty to accomplish its mission.

NPS CONTROL SYSTEMS

The size and complexity of NPS require that numerous control systems be in place to facilitate and orchestrate the daily institutional activities. The purpose of these systems according to the school's instruction on management controls is to "ensure compliance to applicable laws, regulations, and established policies." The functional managers, primarily military officers, have the responsibility of ensuring that the administrative and operational controls are adhered to in functions such as travel, parking, security, and procurement. Volumes of locally generated regulations, DoN, DoD, and Federal Government regulations guide and direct the administrators and users of the system.

An example of the design of these systems is evident in the travel control system. It is in place to ensure travel documents, transportation arrangements, requests for country clearances[1], and related procedures are in compliance with the applicable rules and regulations. The stated policy in the school's travel instruction is that "official travel shall be limited to the amount necessary to effectively and efficiently carry out the mission of the command." The goal being to ensure "cost effective" travel. A faculty administrator remarked on the system:

One problem with travel is that PSD has been given a measure to minimize travel costs and thus,

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[1] A country clearance is required for all personnel traveling on DoD or DoD-sponsored travel to foreign countries. It is granted by foreign authorities, through American Embassies and United States Defense Attache Offices, for official travel to that country (DoD Foreign Clearance Guide, 1995).

airline fares. So with this being your objective, if you can save $40 by routing somebody out of their way, you don't care if it takes the traveler another five or six hours to reach their destination. We have been fighting this battle for years.

He continued by saying:

> The problem is PSD and the travel folks don't care because of the measure of effectiveness they use. They don't see the issue as one of wasting time and resources. What we need to do is change the measure of effectiveness. There are changes in work that will hopefully correct this problem. We need to figure out how to become better, faster and cheaper.

While there is a local instruction on NPS travel procedures and policies, NPS and PSD are responsible for adhering to the guidance and policies placed upon them from DoN, DoD and federal government organizations. These include the following:

- Joint Travel Regulations, Volumes I and II

- Navy Travel Instruction

- Chief of Naval Operations Instruction 5050.31A

- Navy Comptroller Manual, Volume 3

- Military Personnel Manual, Chapter 9

- Naval Personnel Manual, Chapter 8

- Chief of Naval Operations Instruction 4650.2A

- United States Air Force Foreign Clearance Guide

- Chief of Naval Operations letter, serial number: 09BL/IU50701, dated October 1991

Guidance provided in over 11,000 pages within these and other documents include the use of travel funds, documentation requirements, criteria used in determining entitlements, advances, and the settlement of claims.

The same design and issues apply to most all control systems in the organization. For example, in the purchasing of equipment and material, the organization is bound by volumes of internal and external rules and regulations. Also, the flow of documents within the organization is complex. First, the individual requesting the items prepares and submits a departmental form or memorandum. This is given to the department's Administrative Assistant who then prepares a requisition. This document is returned to the originator for initialing and then sent to the Department Chairman to be signed. The document is then screened at a various control points by individuals in the Research Administration Office (if applicable), the Supply Department, and the Comptroller's office. Prior to purchasing various items, the supply department must often obtain bids with the contract going to the lowest bidder. This process takes time and effort. The individual or the professor who placed the order must often wait months for the needed equipment while the request goes through the system. One faculty member commented on his experience in the purchasing of a micro computer:

> The management control processes don't necessarily obstruct the educational process, but often make things more difficult. They are just part of how things get done here. An example would be when I purchased my personal computer. I had to fill out stacks of forms and then purchasing had to go out for bids. This took months. It was finally purchased from a firm on the east coast for $200.00 less than it could have been brought locally. Because of numerous problems with the software and modem, it took a half dozen people countless hours

to get it in a workable condition. One year later the hard drive failed and cost $700.00 to replace. My point is that it took six months to gain a savings of $200.00 when I could have bought locally and saved money in the long run.

COMMENTS ON THE ORGANIZATION

LCDR Baxter also sought to gain a better understanding of how the organization was viewed by its members. The following comments were obtained from personal interviews with members of the faculty and military staff.

Faculty Views

For the faculty to be effective in the execution of their responsibilities, LCDR Baxter, discovered that they desired a responsive support structure willing to accommodate their perceived needs. Descriptions and comments from the faculty, Deans, and Chairmen on these issues include:

- From a management control standpoint it's clear that this is a military or federal government organization. I notice this aspect particularly in the enormous amount of procedures, policies and layers of bureaucracy that surround the spending of money. It's difficult and time consuming to figure out the system and procedures. This is frustrating as a faculty member because you are asked to be innovative and do things and use equipment that is on the cutting edge of technology, yet when you try to do something you end up hitting wall after wall. The processes do get in the way. (Faculty Member)

- It's over bureaucratized in that area (the support side) because there has been a focus from people in charge on "regulations won't let us do this, so we are going to interpret the rules in a stricter way so that we won't get in trouble letting you do that." (Faculty Administrator)

- I think the administrative structure and control systems obstruct the educational process. It is almost impossible to do anything on short notice or to make changes. You have to plan on working around the paperwork. The systems are not set up to accommodate the faculty needs and this causes us to often be pulled in different ways. Our core activities here are teaching and research and everything else is secondary. So, the administrative and control processes always get a lower priority. (Faculty Member)

- The support side is more interested in going through their processes. They have their career paths and there is no connection between their success and keeping us happy. This is an extreme disconnect. Granted, how the systems work is a function of the personality in the job. It's not supposed to be this way. We should be able to do our job no matter who holds positions in the various support roles. (Faculty Administrator)

- It's the people at the tops of those layers of the bureaucracy that are saying the management controls are in place to keep you from screwing up. This organization is micro managed. You have to be able to delegate and trust people to do all aspects of their jobs. Tensions arise because this is not happening. (Faculty Administrator)

- One problem that comes to mind is that the Comptroller on the support side reports directly to the Superintendent. This affects the mission side in that they have little voice in many budget matters that affect them. (Senior Faculty Administrator)

- One issue is the people in charge of the management control processes don't understand what the academic side does. They don't realize that the faculty have duties outside the classroom such as research and professional activities. (Faculty Administrator)

- The support side of the organization deals with problems such that they need management controls. Many of the rules and regulations they apply are

passed down to them from external sources. I'm not sure the faculty realizes this. (Senior Faculty Administrator)

- There is a disconnect in the hierarchy about faculty working hours. The faculty don't need to be in the office to be working. The military does not fully understand this and get upset when the faculty is not here throughout the day or on Fridays. (Faculty Administrator)

- The faculty view the military, dogmatic in their establishment of rules that don't make sense and the fact that they follow them. Faculty members do not take orders. They are trained to question everything and are very much like "herding a group of cats". (Senior Faculty Administrator)

Military Staff Views

LCDR Baxter discovered that the majority of the military officers appeared to have a reasonable understanding of, and were focused on serving, the academic side and its members. However, operating within the dual military and academic environment of NPS presented unique frustrations for many of the officers. Military staff officers commented on the organization and its processes:

- The management control systems here are not necessarily an obstruction to the educational process. They are maybe not as responsive as needed. From the faculty's perspective anything that they don't have direct control over is probably viewed as an obstruction. Travel is the area with the most conflict. The faculty can't fathom why we use the Joint Travel Regulations. The faculty don't understand why they can't have their wants or needs fulfilled now, not two or three weeks from now. (Military Officer)

- Another problem area is protocol. There are cases of faculty members violating the rules by inviting VIPs to NPS without going through official channels. Another example involved a

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professor who was told not to travel to a certain country for research and decided to go anyway. This as you can imagine caused some problems. The professor got great research, but at what cost? (Military Officer)

- There are inherent problems working with professors. The probability of getting them to work together or with the system is small. Each has achieved a high level and think they are the best. Many of the faculty have an elitist attitude and know if they don't like a situation they can wait out the military leadership who transfer every two to three years. These underpinnings are at odds with the administrative structure. (Military Officer)

- The management control systems don't necessarily obstruct the educational process. They would if chain of command strictly enforced them. Still, there is tension from the artificial enforcement of the military structure and trying to tie the organization together. The issue comes down to one of standardization. This is desirable in a military environment, but not in a university where it impedes academic freedom. (Military Officer)

- Problems arise at all the "touch points" where the faculty does business with the military or support structure. Areas of tension are travel, the acquisition process, protocol and reimbursable research. Many of these problems cause the line managers of these areas to have to restate the specific management control process because of a flagrant disregarding of the rules and procedures. This costs both time and money. The support side has to worry about money. Despite the problems, the administrative support side is focused on serving the faculty. (Military Officer)

- The faculty encounter problems due to their unfamiliarity with the system and they don't make an effort to get to know it. So what happens is they often become victimized by it. Areas that you see this are travel, procurement, parking, and security. (Senior Military Officer)

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- Security is a classic example of an area where there is a clash of cultures between the military and the faculty. Classified material is used here for research purposes. According to the Provost this is an area where there is a bureaucratic play on rules that prevent things from getting done. The faculty know that the cold war is over and so they ask the question: "What are we protecting and why?" Because of this attitude they try to steer around the rules. (Senior Military Officer)

- The military, on the other hand, know the requirements for security and know they must comply because they are held accountable. It makes them angry and frustrated that the faculty won't comply with the regulations. The faculty is however, just as callous in their attitude. (Senior Military Officer)

- In the case of property inventory the clash is due to the acute military requirements of accountability and the faculty's natural inclination to concentrate on what's important to them... Because the faculty has its own agenda and often only do what is in their self interest, you cannot mandate anything to them. (Senior Military Officer)

- The military support side is, I believe, focused on serving the academic operating core. The problem again deals with personalities. Most of the people we have here now have a customer focus. There are some though who try to do their job as they have done it the past and who are not yet NPS mission oriented. They have an argument against anything or anyone that violates the rules and regulations and have the attitude, "conform or else". (Military Officer)

- The control options in this case are never fully exercised. If they would be, they would drive the faculty away. This makes you question whether we are a university or a naval command. The accepted solution is that we compromise and muddle through issues. (Military Officer)

CONCLUSION

LCDR Baxter reflected on the issues raised by the members of the organization and the task of reinventing the control processes at NPS. He pondered what recommendations he could make to the Superintendent to make the control systems acceptable to the military staff and the faculty. He sensed there was more reinventing the existing control systems than merely streamlining the processes.

Exhibit 1

NPS Mission and Vision Statement

NPS MISSION

The mission of the Naval Postgraduate School is to provide advanced professional studies at the graduate for military officers and defense officials from all services and other nations. The school's focus is to increase the combat effectiveness of the armed forces of the United States by providing quality education which supports the unique needs of the defense establishment.

NPS VISION 2000

It is NPS's vision to be recognized as the graduate school of choice for defense establishment students and as a premier research university at home and abroad.

Our students will find the school academically challenging and their curricula unique. We will ensure a maximum value-added learning environment for each student.

Our programs will continue to grow to meet the emerging specific needs of all services, DoD and the government as consistent with our mission. The breadth of sponsorship for these curricula will continue to grow.

The highest quality of instruction will remain a paramount objective.

Students will view NPS as a valuable step in their preparation for joint and combined service.

Our research will continue to be recognized throughout the government as providing valuable, responsive and cost-effective products, relevant to current and future defense applications. We will remain on the leading edge of technology, management and warfighting improvements.

Our students theses will be valued throughout DoD as thought-provoking, program-enhancing, and contributing to the solving of DoD problems.

Our faculty will be even more sought after as participants in the most prestigious national and international research activities, and for high-level DoD positions and consultations.

NPS postgraduate education will continue to stand out as a key element in the career of military officers and will enhance their warfighting capability and professional development.

NPS will be a nationally recognized leader in applying TQL to the university environment and in both recognizing and encouraging the contributions and development of all its employees.

Naval Postgraduate School Organization

SUPERINTENDENT
Code 00

Flag Lieutenant	001
Safety Manager	005
Staff Judge Advocate	006
Executive Assistant	007
Management Control	008
Deputy EEO	009

PROVOST
Code 01

DIRECTOR OF ACADEMIC PLANNING
Code 01A

Academic Budget Office	011
Institutional Research	012

RESOURCE MANAGEMENT
Code 02

Comptroller	21
Human Resources	22
Command Evaluation	23

DIRECTOR OP PROGRAMS
Code 03

Asst. Dir. of Programs	03A
Civilian Institutions Officer	031
Admin. Officer for Programs	032
Mgr. Statistical Information	032A
Dir. Visual Info/Repro Serv.	032E
Dir. Aviation Safety	034
Dir. International Programs	035

CURRICULAR OFFICERS

Operations Analysis	30
Aeronautical Engineering	31
Electronic Systems	32
Combat Systems	33
Antisubmarine/Electronic Warfare	3A
Naval Engineering	34
Air Ocean Science	35
Administrative Science	36
Computer Technology	37
National Security Intelligence	38
Command, Control & Communications	39

DIRECTOR OF MILITARY OPERATIONS
C.O. of Enlisted Personel
Code 04

Asst. Dir. of Military Operations	04A
Public Affairs Officer	042
Security Manager	043
Executive Officer/Admin Svs	41
Supply Officer	42
Public Works Officer	43
Security Officer	44
MWR Director	45
Chaplain	46
Family Services Center Officer	47
OIC NavyExchange	48
BEQ/BOQ Officer	49

DEAN OP STUDENTS
Code 03

Asst. Dean of Students	03B
Dir. of Student Affairs	038
Facilities Manager	038A
Graduate Coordinator	038B
Marine Corps Rep.	037
Army Rep.	036
Air Force Rep.	039

DEAN OF COMPUTER AND INFO. SERVICES
Code 05

Assoc. Dean	05A
Acad Computing	51
Library	52
Admin Computing	53
ADP Security	54

DEAN OF INSTRUCTION
Code 06

Registrar	61
Scheduler	612
Admission	62
Alumni Records	

DEAN OF FACULTY
Code 07

Asst. Dean of Military Faculty	07M

ACADEMIC CHAIRS

Dept. of Computer Science	CS
Dept. of Mathematics	MA
Dept. of Administrative Science	AS
Dept. of Operations Research	OR
Dept. of National Security	NS
Dept. of Physics	PH
Dept. of Electrical & Computer Eng.	EC
Dept. of Meteorology	MR
Dept. of Aeronautics	AA
Dept. of Oceanography	OC
Dept. of Mechanical Engineering	ME
ASW Academics Group	AW
Space Systems Academic Group	SP
EW Academic Group	EW
C³ Academic Group	CC

DEAN OF RESEARCH
Code 08

Research Support	81
Conferences	82J0
Thesis Distribution	8250
Patents	81

CURRICULAR OFFICERS

ACADEMIC ASSOCIATES

STUDENTS

FACULTY

February 8, 1993

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Exhibit 2

Organization Chart

Exhibit 3

Examples of Silly Little Rules

1) Purchasing material: we spend more man-hours/government dollars in reviewing, approving, technical acceptance, supervisor approval, contracting officer approval, and getting quotes than we spend on the item orders. One order will easily touch 25-30 hands before ordered. I know rules were put in place to deter fraud, waste, and abuse, but isn't that exactly what we are doing with these rules (Silly Rule No. 6).

2) Remove restrictions on computer purchases. Those restricting purchases and regulating distribution don't understand the needs of scientific and engineering research and teaching. (Silly Rule No. 19)

3) There have been many silly rules that have caused me inconvenience and annoyance. Rather than emphasizing incidents, I would like to make a general observation of a systemic problem that no amount of tinkering with the rules will fix anything. The problem is an attitude I encounter in travel, purchasing, accounting, etc., that the fear of doing something bad far outweighs the potential benefit of doing something good. (Silly Rule No. 486)

4) The entire travel process is too complicated. Why do the Comptroller and PSD insist on n and m days to process travel orders? Why can't I make my own reservations with airlines if it saves the government money over GSA fares? Interesting story: A group of us were discussing a space-related problem on a Monday afternoon. We decided that we needed to talk to an expert at the Naval Research Lab (in DC). We called him, and he was on a plane the next day. We had our meeting on that Wednesday morn! Why can't NPS manage travel like that. (Silly Rule No. 102)

5) Any travel agent who attempted to function by asking his customers to fill out a form and then not communicating further with them would be out of business in about a week. Making travel arrangements is probably the second most common complaint about government service. (Silly Rule No. 804)

6) You have to travel that way because it's a government carrier (NPS-LA-Atlanta-DC). Even if we can't get you there when you need to be. (Non-government carrier is cheaper and I can arrive when I need to be there.). (Silly Rule No. 54)

7)   Travel has difficulties sometimes because of rules to use cheapest connections (which may take much longer than necessary and involve changes in many airports). Rental car arrangements may involve time consuming far-off-site van rides, presumable to save small $. (Silly Rule No. 59)

8)   PSD travel functions must be eliminated, and assigned or contracted out to organizations that do not have to follow BUPERS regulations. Unfortunately, through no fault of the excellent personnel at PSD, those rules and regulations are in direct, frequent conflict with the NPS faculty needs. (Silly Rule No. 677)

Exhibit 4

List of Acronyms

1. AAUP – American Association of University Professors
2. DoD – Department of Defense
3. DoN – Department of the Navy
4. LCDR – Lieutenant Commander
5. NPS – Naval Postgraduate School
6. PSD – Personnel Support Detachment

CASE QUESTIONS

1. Describe the characteristics of bureaucratic control that can be identified with NPS.

2. Describe the characteristics of collegial control that can be identified with NPS.

3. What factors in the case hinder or help in the management and implementation of control systems at NPS? Include in your discussion, the extent of conflict (if any), when control systems are used to achieve bureaucratic objectives of efficiency and accountability in an organization whose core technical staff are accustomed to operating in a collegial environment.

4. Address LCDR Baxter's concerns in formulating a strategy for reinventing NPS?

5. What should LCDR Baxter recommended?

APPENDIX A

Interview Summaries

The following interview summaries were written in first person form and have been condensed from tape recordings and written notes. The text, to the greatest extent possible was written using the words of the individuals. While the researcher had an interview guide in the form of questions, no attempt to elicit answers in a particular order or sequence was made. A respondent was encouraged to give his or her opinion on each question and could make any additional comments the individual wanted, as well as, branching off into relevant side issues. Nine interviews were summarized. The remaining ten provided background information. Anonymity was guaranteed to the interviewees. The interview questionnaire is included as Appendix B and the positions held by the respondents are described in Appendix C.

1. Interview with a senior civilian administrator

The Naval Postgraduate School (NPS) is a unique environment, the only one of it's kind. It is an organization that is a monolithic hierarchy and is often overt in its control. There are two distinct groups within the organization. The first being the military has a long standing tradition and is monolithic and top down in its management approach. The second group is the faculty, a group that also has strong traditions and who operates from a collegial approach. This extreme, "oil and water," mix of military personnel and faculty presents unique problems in the functioning of the organization. However, this mix does not keep NPS from successfully accomplishing its mission.

The faculty is and represents the heart of the institution. These are people who are the best in their respective fields. They have seen many changes at NPS and have seen many military personnel come and go, thus many have developed a gallant attitude toward the military management. Their perspective is that everything is secondary to teaching and research.

The school competes nationwide for this faculty. NPS operates under the American Association of University Professors (AAUP) rules and standards and maintains a professional culture that professors recognize. There are however differences. These differences are explained before the professors are hired. The faculty, in general, works harder here than their friends at Berkeley and generally feel there is too much control.

For the military personnel this is an assignment unlike any in their past. These officers are used to being in charge and making decisions without a lot of discussion. The environment here frustrates many, particularly those who don't know what the faculty is about or what they do. There are those who are shortsighted, in that they enjoy enforcing rules perhaps more stringently than they should. However, the majority realize that they gain little by chipping away at the collegial environment. It's easy for them to get "white knuckled" about these issues, but they must decide what's important and never forget that their role is support and that the organization needs the faculty to accomplish its mission.

The management control systems facilitate the educational process as a whole. There are the typical problems associated with bureaucracies. People often become entrenched in the rules and forget who the customer is; e.g., travel. The faculty needs to travel and does not understand why it is so

hard to do so. One problem is the Personnel Support Detachment (PSD). The artificiality of PSD reporting to someone else other than the Admiral brings up the notion of a centralization problem. That is, there is a danger of losing a customer focus and the problem of allegiance.

In contrast, acquisition has improved with the use of credit cards.

Dress code is always a problem, but one must weigh the issues relative to performance. What's more important is that the faculty is good in the classroom. Parking is also an issue that often comes up. Many of these areas are good for reinvention where the goal is to examine and waive controls so things can be done more efficiently.

The faculty is responsive to managerial requirements, but they are thoroughbreds who have different standards than the military and want to go off in all different directions. The term "herding cats" is often applied. That's fine, they are not in the military and we do not want "yes" men. We are paying for their intellectual muscle.

The administrative structure is important in this issue. The department chairmen runs the faculty and have more control than in other institutions. It is the chairman who handles most of the communications and administration between the mezzanine and individual faculty. The faculty don't like being bothered by administration; they are interested in teaching and research.

There are issues such as the 22 percent surcharge on reimbursable money that has received the attention of all faculty members.

Both sides of the organization need to remember what the mission is and that the education of the students is most important. The environment here should allow for growth and

part of that is learning about the faculty, military and other cultures.

2. Interview with a faculty member

This is both a military institution and a university. The unique twist here is that military and faculty work side by side. Many members from each of these two groups do not know how the organization and its management controls are structured. That is to say, the faculty don't know how the military side is organized and the military support personnel don't know how the academic side functions. Neither really cares. This results in a clash of cultures. One aspect of this problem is that most of our faculty has little or no military experience and thus a very low level of understanding in this area.

The administrative structure and how the school is managed is hard to describe. Management is moving toward TQL and participative management. This appears to be more lip service then anything. An example of this is the 22 percent surcharge on reimbursable monies. The purpose was to cover indirect costs of doing business with NPS. The problem is that the surcharge was implemented without any prior consultation with the faculty. This seemed to have demonstrated a lack of awareness or concern on the part of the Provost.

The management control processes don't necessarily obstruct the educational process, but often make things more difficult. They are just part of how things get done here. An example would be when I purchased my personal computer. I had to fill out stacks of forms and then purchasing had to go out for bids. This took months. It was finally purchased from a firm on the east coast for $200.00 less than it could

have been brought locally. Because of numerous problems with the software and modem, it took a half dozen people countless hours to get it in a workable condition. One year later the hard drive failed and cost $700.00 to replace. My point is that it took six months to gain a savings of $200.00 when I could have bought locally and saved money in the long run. We now have credit cards that have helped in these issues. Overall, because of some recent changes the support side is more focused on serving the operating core, but there still is a lack of customer service in some areas such as travel.

There are numerous disputes over the various policies here at NPS. There is a disconnect with the hierarchy about faculty working hours. The faculty don't need to be in the office to be working. The military does not fully understand this and get upset when the faculty is not here throughout the day or on Fridays.

Another area is freedom of expression. Disclaimers are required on certain papers. The faculty is unable to say certain things in public without fear of embarrassing the Department of Defense or Department of the Navy. This is a subtle form of control. Other examples of this include professors being asked not to present papers on sensitive issues.

The military uniqueness of NPS is an issue because many professors do not understand the reason for emphasizing this uniqueness. The faculty wants to publish theory papers and the military wants basic research and technical papers that are oriented toward real problems. The professors answer to NPS and the various curriculum sponsor who want research done on military topics. The disconnect here is the rewards' system as related to tenure. The tenure model is driven by an academic model not a military one.

The faculty also has problems with many of the required training lectures such as HIV and sexual harassment. The sexual harassment lectures following tailhook are an example. Classes were canceled and everyone including the faculty was ordered to go. Problems came up because of being "ordered" and because the faculty did not feel they were part of the problem. They thought it was a military issue not a faculty one. This comes from a mind set that we, the faculty, are not employees of the Department of the Navy.

Faculty members also have some resentment about being restricted by the Hatch Act from participating in politics, as well as, being limited in accepting honoraria.

Overall, the faculty is generally responsive to managerial requirements. The system is decentralized in that the chairman has a lot of power and acts as a buffer between the mezzanine and faculty. I believe it is the older faculty that are more socialized into the academic model who have problems with and school's uniqueness and processes.

3. Interview with a military officer

The organization is broken up into eight codes. The superintendent, code 00, is at the top of the organization. He has control over all aspects of NPS and is also in charge of all graduate education in the Navy. Code 01 is the Provost. He is appointed by the Secretary of the Navy and is responsible for all academic issues and the faculty. The faculty though, do not work directly for the Provost. Under him are the various Deans, followed by the department chairmen. The chairman is directly accountable for his faculty and they report to him. The structure is firm but flexible and changes. There used to be only four Deans and now I believe there are seven.

The dynamics of the structure are interesting. We are an accredited university and depend on the faculty for much of our success. They must be catered to in this regard. They have a prima donna attitude and are not used to dealing with the military structure. The personalities of the Admiral and Provost and their management styles with respect to the faculty have a lot to do with the amount of conflict or tension in the organization.

As a military officer this is unlike anything I've done in the past. There are many more layers here than at a naval command. For many of the officers this is the first exposure to a faculty and civilian structure. While many don't like it, they need to realize that it is their lot is life to support.

The management control systems here are not necessarily an obstruction to the educational process. They are maybe not as responsive as needed. From the faculty's perspective anything that they don't have direct control over is probably viewed as an obstruction. Travel is the area with the most conflict. The faculty can't fathom why we use the Joint Travel Regulations. The faculty don't understand why they can't have their wants or needs fulfilled now, not two or three weeks from now. Part of the problem is the Personnel Support Detachment (PSD). Its size is inappropriate for the size of NPS. The fact that PSD reports to someone other than the school is also an issue. The silly little rules survey helped streamline some aspects, but not as well as it could have. Part of the problem is that people are comfortable with structure and their jobs. So while there is resistance to the way things are done here there is also resistance to change.

Another problem area is protocol. There are examples of faculty members violating the rules by inviting VIPs to NPS

without going through official channels. A recent example involved a professor who was told not to travel to a certain country for research and decided to go anyway. This as you can imagine caused some problems. How to handle the situation from a discipline standpoint was an issue. Normally accountability for the faculty is through the chairman of the department. After much discussion it was the chairman who finally handled it. In this case the layers of the organization ended up protecting the faculty member and supporting academic freedom. The professor got great research but at what cost?

The faculty's concern is loyalty to self. They are responsive as long as it supports their goals. One goal is to be put on a tenure track. They have to publish or perish. A problem is that the professors here work hard. They do not have teaching assistants to help them and have to both teach and do research. This is part of the problem trying to get the faculty involved. The Admiral would like to see a faculty member be involved with a TQL project, but to do so that professor has to forego research.

4. Interview with a military officer

The Naval Postgraduate School is unique. It is conventional academia superimposed over a military structure. There are too many unnecessary layers of management. At a macro level there is a lack of understanding of the daily operation. The school appears to operate on the chaos theory. There are days where it is not managed at all and days where it operates randomly with the micro-purpose of educating students. The NPS bureaucracy has no concept of what the faculty does and where they come from.

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There is a real tension between the structure of the organization as a whole and those who operate in it on the mission side, or academic side. You have 380 professors who are all running around doing their own thing. Each have their own ideas and look at others and say "your idea and your time is not as important as mine because I'm a professor." This often causes on the mission side absolute gridlock. Take a look at the Executive Steering Committee and Planning Board minutes and you will see this evident. Decisions are hard to make here. At a military command you can't spend the time on decisions that we do here.

There are inherent problems working with professors. The probability of getting them to work together or with the system is small. Each has achieved a high level and think they are the best. Many of the faculty have an elitist attitude and know if they don't like a situation they can wait out the military leadership who transfer every two to three years. These underpinnings are at odds with the administrative structure.

The management control systems don't necessarily obstruct the educational process. They would if chain of command strictly enforced them. Still, there is tension from the artificial enforcement of the military structure and trying to tie the organization together. The issue comes down to one of standardization. This is desirable in a military environment, but not in a university where it impedes academic freedom.

There are problems with the a lack of common sense in the military middle management applying these controls when it comes to dealing with the amorphous mass of the faculty. The problems stems from a lack of understanding on both sides.

Problems arise at all the "touch points" where the faculty does business with the military or support structure.

Areas of tension are travel, the acquisition process, protocol and reimbursable research. Many of these problems cause the line managers of these areas to have to restate the specific management control process because of a flagrant disregarding of the rules and procedures. This cost both time and money. The support side has to worry about money. Despite the problems, the administrative support side is focused on serving the faculty.

5. Interview with a faculty administrator

There are numerous levels within the organization. It's artificial to separate administration from policy or administration from politics but there is a separation in that the policy aspect is, in theory, determined by the Superintendent, and inputs from the Provost and the Deans on academic, teaching and research issues. That is supposedly separate from the support services around here which are Base Operations, the Comptroller, and such.

In effect they merge together because we can't do our teaching and research without adequate support services. This is one of the big frustrations around here. Support service depend very much on the uniformed officer running the various programs. What he or she, say the Lieutenant in PSD, wants to get through the system makes the difference in how it works. This is an example of why the bureaucracy doesn't work around here. Although, we now have a group of good and willing officers around trying to make things work.

This is a organization whose output, teaching and research, depends on the faculty. Teaching is the mission of this school which is different from a civilian university where research and publishing is all important. This is a place where the intelligence and motivation of the faculty

members is all important. We have student officers whose time is extremely valuable in terms of money and their skills. Much follows from this in that we are very responsive to the students and sponsors.

The faculty work harder because of this difference. You can do a great job or poor one and frankly, within the structure of the civil service the rewards and punishment range is not a very broad one. The faculty not only teach and do research they go out and hustle money. They have to provide for at least two months of their salary out of the year. They depend on a variety of sponsors for this money. Only the faculty member can develop and facilitate the connection with the sponsors. They identify with the school itself, but their loyalty is often split because they work all over the world for their sponsors.

Faculty are grouped into departments and it is the Chairman's job to coordinate the productive energies of the faculty; to make sure they are productive and not destructive. The faculty have a tremendous amount of autonomy, yet they have to stay within the parameters of the system which is always evolving. Most of the coordination takes place at the department level through the Chairman.

Overall, the management control systems here are terrible and do not facilitate the educational process. It is amazing that anything gets done around here. We have great faculty and students who study organizational structures and methods, yet it is sometimes impossible to get things done. There is a real need for reinvention of the school. Many of the programs such as travel and procurement focus around some GS-5 bureaucrat. It's not necessarily only a local problem either. These same type of people at NAVSUP and NAVCOMPT are the cause of many problems. Hiring is also a frustration.

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How are we suppose to work without adequate personnel? Travel
is another issue. My wife can pick up the phone and get a
better deal and better routing on a airline ticket without
having to go through the incredible time-consuming process we
go through here. There are also numerous problems trying to
get official passports. It is a time consuming, frustrating
process.

We now have a good group of uniformed officers here who
are interested in serving and supporting. TQL, while often
viewed as lip service, has worked. In this past, Supply, PSD
and HRO did not know what this place was all about. There
still is problem with PSD because it reports to someone other
then NPS. The credit card, though, helped on the purchasing
side of the house.

This is a difficult place to administer. You have 350
bright professors running around working very hard meeting the
needs of seventeen hundred bright, motivated students. The
professors work very hard and have to operate under all types
of constraints and controls laid down by the internal
structure and external environment. The whole process is very
hard to coordinate and it is often difficult to determine
what the priorities are.

The faculty does play a role in the establishment of
policies and procedures, as well as, long range planning. We
have plenty of opportunities to affect and influence things
around here. The problem is support services and the overall
coordination.

The faculty is responsive to managerial requirements.
They have to be to survive. But, the place doesn't work on
the basis of orders. We really do not receive "orders";
however, there are times we are told we have to do something
without being told why. Examples are training on AIDS, back

injury prevention, or sexual harassment. These requirements are not generated here, but passed down form up the line. Many faculty members just blow them off. Students are often in the same situation, and ask what's the penalty? If there is none or it is minor, they blow it off.

6. Interview with a faculty member

From a faculty point of view, the Naval Postgraduate School is a military institution and you notice this as soon as you come on campus, but on top of it we have a university structure. We are thought of as being unique and relevant in terms of our mission. It's very much like a university in that we have assistant, associate and full professors and the tenure process. But, there is this dual structure in that the students report to the Curricular Officer and the faculty report to the Department Chairman. The problem that this creates is a lack of communication between the two. Because there are the two hierarchies, you have the problems associated with the overlay of the two hierarchies that you don't have at a civilian university.

It's clear that this is a military organization especially on uniform day. It's overwhelming, because you're a minority if you are not in uniform. You would not see this at any other institution other than a military one. Also, the makeup of the students is different. There is a certain homogeneity in that they are predominantly male, white and fall into a certain age group.

From a management control standpoint it's clear that this is a military or federal government organization. I notice this aspect particularly in the enormous amount of procedures, policies and layers of bureaucracy that surround the spending of money. It's difficult and time consuming to figure out the

system and procedures. This is frustrating as a faculty member because you are asked to be innovative and do things and use equipment that is on the cutting edge of technology, yet when you try to do something you end up hitting wall after wall. The price that you pay is huge in that it takes so much time and energy that after a while you ask whether it's really worth it. The processes do get in the way. One advantage is that the system is so huge, if you are willing and persistent, you can usually find a way around things. But you have to weigh the cost and benefit and I'm not sure everyone is willing to do this.

The size of the faculty is small relative to most civilian universities. So the faculty tend to work harder teaching and doing research. There is an expectation that the faculty do everything they can to help students get through the program. The students are as, if not more, important then research. That's not the case at a regular university. Also, because of the Department of Defense environment and base closures the faculty needs to pay more attention to the environment and to serving our customers and sponsors. This requires huge amounts of our time and does to a degree impact our autonomy.

I think the administrative structure and control systems obstruct the educational process. There are many examples. One is the library. Because this is viewed as a technology and science school, the administrative sciences are cut short. There tends to be more of an emphasis on military and government material. Many professors have to go elsewhere for research. Travel is also a problem. It is almost impossible to do anything on short notice or to make changes. You have to plan on working around the paperwork. There is another issue with travel that revolves around reimbursable and split

accounting problems.   The systems are not set up to accommodate the faculty needs and this causes us to often be pulled in different ways.   Our core activities here are teaching and research and everything else is secondary. So, the administrative and control processes always get a lower priority.

For many of the faculty the military traditions and requirements are very foreign.   Coming to attention when a senior officer walks into a room or during a lecture is something we are not used to seeing in the academic world. Part of this comes from the fact that so few of the professors have any military background or experience.   This is a cultural issue that does have some impact on the way things work around here.

As far as managerial requirements and orders go, our core activities here are teaching and research.   Everything else is secondary and like the paperwork get a very low priority.   If it comes down to prioritizing time for teaching, doing research or attending a HIV lecture, I'm going to do what I feel is most important.

7.   Interview with a faculty administrator

From an organizational perspective and from the academic side of the house there are way too many layers and too little delegation of authority, but a great deal of delegation of responsibility.   The interface with the support side of the house, 02, 03, 04 is tenuous at best.   Nobody, in my view, is a good manager and has a handle on who the customer is and who they are supposed to be working for.   It's over bureaucratized in that area because there has been a focus from people in charge on "regulations won't let us do this, so we are going to interpret the rules in a stricter way so that we won't get

in trouble letting you do that." This is one thing that reinvention is trying to work, changing the mind set and culture and the way people view their jobs. What we can't seem to do around here is get people to make a decision and commit to anything here. The mezzanine and the Executive Steering Committee needs to understand what the functions and roles are and then figure out how to organize and structure the school.

We are held accountable and are in charge of the mission being accomplished. The mission being graduate education. The faculty is all important to this end. We don't need the infrastructure if we are not getting the job done. There seems to be a lot of time spent validating up the chain that we are doing the right stuff, as if they knew.

Many of the military support side do not understand what we, the faculty do. There is not a way for them to hold us accountable. The problem is that is that it is difficult for them to measure what we do. This is not necessarily a product oriented environment, but more of a service one.

The chairmen of the department do know what their faculty are doing and the people the faculty are accountable to are the people who know what the faculty are doing. If the right stuff doesn't happen, it is apparent. So it's not surprising that the military support side of the house feels that they don't understand.

But, they are the support side and that fact to them is one of the things that are very unclear. They don't necessarily have to understand. What's important is that they view the customers as customers. They cannot take, even though they do, an adversarial view about travel, passports or acquisition.

Part of the problem is structure, but in general it is a cultural issue. The culture piece is fixable. The problem is that the structure needs to facilitate the cultural change and appropriate management control systems and it doesn't. We do things in spite of the systems, not because of them.

The problem is PSD and the travel folks don't care because of the measure of effectiveness they use. They don't see the issue as one of wasting time and resources. What we need to do is change the measure of effectiveness. There are changes in work that will hopefully correct this problem. We need to figure out how to become better, faster and cheaper.

The support side is more interested in going through their processes. They have their career paths and there is no connection between their success and keeping us happy. This is an extreme disconnect. Granted, how the systems work is a function of the personality in the job. It's not supposed to be this way. We should be able to do our job no matter who holds positions in the various support roles.

Another problem is if the parts of the organization hear that the faculty is disgruntled they say "oh, it's just the faculty." It takes a significant effort on the part of a lot of folks before action is taken to fix something here. The organization needs to be structured so that it is always looking at how to improve the processes instead of waiting until things get so bad that you have to change them. The structure here is such that it takes a critical event to make something happen.

It is not only the military leadership that causes these problems it is also the civilian leadership. There seems to be no belief in management. We do not believe that you can or need to manage this organization according to management principles as opposed to putting senior people in management

jobs. This is the major impediment to effecting significant structural change. It's the people at the tops of those layers of the bureaucracy that are saying the management controls are in place to keep you from screwing up. This organization is micro managed. You have to be able to delegate and trust people to do all aspects of their jobs. Tension arises because this is not happening.

8. Interview with a senior military officer

We are a unique academic institution with regard to the two distinct cultures that operate here. You have, on one hand, the miliary side who operates from a unity of thought aspect and then the academic side that is more independent and free minded. The support side is set up as a standard naval organization and the mission side is set up based on an academic model. The mix of the two sides makes the dynamics of the system different than what most of the military personnel are used to seeing.

These dynamics probably tend to obstruct the process of getting things done. To the military, the faculty are viewed as unruly, prima donnas. The faculty encounter problems due to their unfamiliarity with the system and they don't make an effort to get to know it. So what happens is they often become victimized by it. Areas that you see this are travel, procurement, parking and security. Many of these areas are making improvements through a concerted effort to improve customer service. For instance, the use of credit cards in purchasing has helped a great deal. Still, it is the personalities of people running the programs that make a difference in the way the processes are carried out.

Security is a classic example of an area where there is a clash of cultures between the military and the faculty.

Classified material is used here for research purposes. According to the Provost this is an area where there is a bureaucratic play on rules that prevent things from getting done. The faculty know that the cold war is over and so they ask the question: "What are we protecting and why?" Because of this attitude they try to steer around the rules.

The military, on the other hand, know the requirements for security and know they must comply because they are held accountable. It makes them angry and frustrated that the faculty won't comply with the regulations.

The faculty is however, just as callous in their attitude.

The control options in this case are never fully exercised. If they would be, they would drive the faculty away. This makes you question whether we are a university or a naval command. The accepted solution is that we compromise and muddle through issues.

Parking also comes to mind with this thought as does property inventory. In the case of property inventory the clash is due to the acute military requirements of accountability and the faculty's natural inclination to concentrate on what's important to them and what's not. Because the faculty has its own agenda and often only do what is in their self interest, you cannot mandate anything to them. Rather they must be seduced into doing what you want or need them to do.

The military support side is, I believe, focused on serving the academic operating core. The problem again deals with personalities. Most of the people we have here now have a customer focus. There are some though who try to do their job as they have done it the past and who are not yet NPS mission oriented. They have an argument against anything or

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anyone that violates the rules and regulations and have the attitude, "conform or else." The problem though is not necessarily all related to a military mind set, but rather to the bureaucratic organization and associated customer service issues.

Support staffs are often there to support themselves and it may be better to disperse support to the individual departments to get more productivity and efficiency out of the system.

9. Interview with a senior faculty administrator

The organization is set up a little strange. It is a bureaucracy in that the decisions are made at the top. Yet there is really a dual chain of command. There is the academic side, or what is called the mission side and then the military support side. The two "stove pipes" or ladders join at the top.

One problem with this that comes to mind is that the Comptroller on the support side formally reports directly to the Superintendent. This affects the mission side in that they have little voice in many budget matters that affect them. It is also difficult to separate personalities from the issues within the organization.

Because of this dual chain it is hard to get things done here. If, lets say, a faculty member has a problem with supply and he is unable to resolve it himself, then he must go up the chain through his chairman, through the deans to the Provost who then takes the issue to the military side of the house. This causes frustration because the faculty really has no control over supply, travel or the comptroller, those functions on the support side. Credit cards for smaller purchases have helped the faculty, but it is still as

difficult and time consuming as ever for large purchases.

The support side of the organization deals with problems such that they need management controls. Many of the rules and regulations they apply are passed down to them from external sources. I'm not sure the faculty realizes this.

One issue is the people in charge of the management control processes don't understand what the academic side does. They don't realize that the faculty have duties outside the classroom such as research and professional activities.

There is a question in the support side's mind of who the customer really is. Is it the people in Washington, D.C., the faculty, the students or whom? The PSD here reports to a PSA, not the Admiral. HRO works for the Office of Personal Management. This is a problem.

The academic side is supposed to be set up and must look like a civilian university. It should allow academic values to flourish. Academic life is normally characterized by freedom, independence, and lack of constraints. The faculty expects this to be like a university and so they bring with them into this organization a perspective that the military does not understand.

Faculty like to talk things to death and are often unable to reach a consensus. You don't see this in the military.

The faculty view the military, dogmatic in their establishment of rules that don't make sense and the fact that they follow them. Faculty members do not take orders. They are trained to question everything and are very much like "herding a group of cats."

Because they have to hustle a portion of their income from various sponsors, they are entrepreneurial and the system is not set up to handle individuals like that. Their loyalties lie first with their profession, followed by their

department and then the larger organization.

In the end, the faculty like it here because of the students and the research. They eventually come to accept the system and learn how to work around it. An example of this is pre-ordering certain items to avoid the time lag inherent in the supply system.

Current conflicts on campus include the controversial 22 percent surcharge on reimbursable monies that is to help cover indirect costs. The problem is that it was implemented without any consent of the faculty and then was initially applied retroactively. We are supposed to be a flagship institution, but issues as this and other budget cuts make things difficult to run.

APPENDIX B

Interview Questions

The thrust of the interviews was to gather opinions from individuals who work at the Naval Postgraduate School. The purpose of the questions was to allow the interviewees to express their opinions on the organization, its operating environment, its people and cultures, the management control processes, such as travel or procurement and perceived areas of tension related to bureaucratic control in a collegial environment. The purpose and goal of the research was discussed prior to commencing asking specific questions.

1.) Describe the Naval Postgraduate School's administrative structure and associated management process.

2.) From your perspective what is different about getting things done here as compared to other universities (faculty) or naval commands (Military)?

3.) Do you feel the administrative structure and associated management control processes, such as travel or acquisition, facilitate or obstruct the educational process?

    A. If so, why?

4.) Do you feel the administrative support side is structured and focused on serving the academic operating core?

5.) Do you know of any disputes or conflicts over policies and procedures between the administration and faculty at NPS?

A. If so, which policies and procedures?

B. Are there specific situations that bother the administration or the faculty?

6.) Do you feel the faculty has a voice or control in establishment of:

A. Academic policies and procedures?
B. Development of budgets?
C. Long range planning

7.) Is the faculty responsive to the mezzanine in terms of managerial and administrative orders or requirements?

8.) Do you have the autonomy you feel you require? Are there things you feel you cannot do? (Faculty only)

9.) How do you identify with the institution? (Faculty only)

APPENDIX C

INTERVIEWS CONDUCTED

This research could not of been accomplished without the candid opinions and comments of the interviewees. Anonymity was guaranteed to the interviewees. Only the nine interviews discussed in Appendix A, were summarized. The remainder provided the background information. The following is a breakdown of the positions of the persons interviewed:

Members of the central administration:
Civilian (non faculty)	2
Military	1

Deans:
Civilian	2
Military	1

Department Chairmen	2

Faculty:
Professors	1
Associate professors	3

Military:
Senior military officers	1
Curricular Officers	2
Department Heads	3
Assistant Curricular Officer	_1

Total Interviews	19

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   Department of Systems Management
   Naval Postgraduate School
   Monterey, California 93943-5000

5. Lieutenant Commander Rudolph C. Denz   2
   4194 South Frazer Way, Unit E
   Aurora, Colorado 80014

6. Professor Linda Wargo, Code SM/Wg   1
   Department of Systems Management
   Naval Postgraduate School
   Monterey, California 93943-5000

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   Naval Postgraduate School
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9. Professor Richard Elster, Code SM/El   1
   Department of Systems Management
   Naval Postgraduate School
   Monterey, California 93943-5000

10. Professor David Whipple, Code SM/Wp   1
    Department of Systems Management
    Naval Postgraduate School
    Monterey, California 93943-5000

11. Professor Ruben Harris, Code SM/Hr   1
    Department of Systems Management
    Naval Postgraduate School
    Monterey, California 93943-5000

12. Professor Dan C. Boger, Code SM/Bo   1
    Department of Systems Management
    Naval Postgraduate School
    Monterey, California 93943-5000

13. Professor Gail Fann Thomas, Code SM/Fa   1
    Department of Systems Management
    Naval Postgraduate School
    Monterey, California 93943-5000

14. Professor Susan Hoecevar, Code SM/Hc   1
    Department of Systems Management
    Naval Postgraduate School
    Monterey, California 93943-5000

15. Mr. Rudolph R. Denz   1
    4194 South Frazer Way, Unit E
    Aurora, Colorado 80014